



ADMINISTRATION FOR CHILDREN & FAMILIES

SUPPLEMENTAL TERMS and CONDITIONS

The **General Terms and Conditions** apply to all non-discretionary programs. These Supplemental Terms and Conditions are additional requirements applicable to the program named below.

By acceptance of awards for this program, the recipient agrees to comply with the requirements included in both the General and Supplemental Terms and Conditions for this program.

Office of Early Childhood Development (ECD) Office of Child Care (OCC)

CHILD CARE SUPPLEMENTAL DISCRETIONARY FUNDS

AMERICAN RESCUE PLAN (ARP) ACT

Child Care and Development Fund Grants

Assistance Listing No. [93.575]

APPLICABLE LEGISLATION, STATUTE, REGULATIONS

1. The administration of this program is subject to:
 - a. The American Rescue Plan (ARP) Act of 2021 ([P.L. 117-2](#)).
 - b. [Child Care and Development Block Grant](#) (CCDBG) Act.
 - c. Provisions of the current approved CCDF State, Territory, or Tribal plan, as applicable, including all approved amendments or revisions.
2. The program is codified at [42 U.S.C. § 9857 et seq.](#)
3. Implementing program regulations are published at:
 - a. [45 CFR Part 98](#) – “Child Care and Development Fund”.
 - b. [45 CFR Part 99](#) – “Procedure for Hearings for the Child Care and Development Fund”.
4. These funds are subject to all CCDF Discretionary requirements, except as noted. Lead Agencies may use these ARP CCDF Discretionary funds for allowable CCDF uses and to provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to the Coronavirus Disease 2019 (COVID-19) by public officials, without regard to the income eligibility requirements of 658P(4) of the Child Care and Development Block Grant Act (42 U.S.C. § 9858n(4)).
5. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards is located under 45 CFR Part 75. In accordance with 45 CFR §75.101(d), only limited portions of Federal regulations at 45 CFR Part 75 are applicable to the CCDF programs.
 - a. **Subpart A**, “Acronyms and Definitions,” *remains applicable*.
 - b. **Subpart B**, “General Provisions,” *remains applicable*.
 - c. **Subpart C**, “Pre-Award Requirements,” *Not Applicable* except §75.202 remains applicable to the Federal awarding agency.
 - d. **Subpart D**, “Post-Award Requirements” *Not Applicable* except §§75.351-.353 remain applicable, except for Tribal grantees as noted under 45 CFR §98.84. For more information, see the CCDF Tribal Construction or Major Renovation Terms and Conditions.
 - e. **Subpart E**, “Cost Principles.” *Not Applicable* in its entirety, except for Tribal grantees as noted under 45 CFR §98.84.
 - f. **Subpart F**, “Audit Requirements,” *remains applicable*.

6. In accordance with 45 CFR 87.2(b), the provisions of Federal regulations at **45 CFR Part 87** are not applicable to the CCDF programs in their entirety.
7. Additional applicable regulations and requirements can be found in the General Terms and Conditions for Nondiscretionary: Formula, Block Grants, and Entitlement Awards.

COST SHARING OR MATCHING (NON-FEDERAL SHARE) OF PROGRAM FUNDING

8. In accordance with Section 2201(c) of the ARP Act, funds shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide child care services for eligible individuals.
9. Awarded funds may not be used to meet the matching requirements of other Federal grant programs.

States and Territories

10. For States and Territories, ARP CCDF Discretionary funds for this program are awarded with a **100 percent** Federal Financial Participation (FFP) rate for program costs, which means a non-Federal share of program funding is not required for this program (i.e., there is no State or Territory Match required).

Tribes

11. For Tribes, ARP CCDF Discretionary funds for this program are awarded with a **100 percent** Federal Financial Participation (FFP) rate for program costs, which means a non-Federal share of program funding is not required for this program (i.e., there is no Tribal Match required).

FINANCIAL REPORTING AND REQUIREMENTS

12. Administrative cost cap.
 - a. **State and Territory** administrative costs cannot exceed 5 percent of the total, aggregate of Federal and non-Federal shares of CCDF expenditures (All COVID-19 Supplemental funding, excluding Child Care Stabilization funds under the ARP Act, and other CCDF funding combined) each grant year. This includes any amount transferred to CCDF from TANF.
 - b. **Tribe** administrative costs cannot exceed 15 percent of the aggregate amount of Federal funds, (All COVID-19 Supplemental funding, excluding Child Care Stabilization funds under the ARP Act, and other CCDF funding combined) awarded for each fiscal year. The CCDF base amount awarded as discretionary funds is not included in the calculation of the aggregate amount subject to this administrative cost cap.
13. Quality spending requirements (at 658G of the CCDBG Act (42 USC 9858e); 45 CFR 98.53) and direct services spending requirements (at 658E(c)(3)(D) and (E) of the CCDBG Act (42 USC 9858c(3)(D) and (E)); 45 CFR 98.50(f) and (g)) do not apply to ARP CCDF Discretionary funds.
14. **Reporting.** These funds are subject to government-wide and CCDF-specific reporting requirements. OCC will provide additional guidance on reporting requirements on its website at www.acf.hhs.gov/occ and at the centralized ACF COVID-19 resource website at <https://www.acf.hhs.gov/coronavirus>.

15. Obligation/Liquidation Deadline.

ARP CCDF Discretionary funds must be obligated by September 30, 2023 and liquidated by September 30, 2024. Any Federal funds from this award not obligated or liquidated by the deadlines cited above will be recouped by ACF. ARP Act funds are subject to the reallocation process at 45 CFR § 98.64(b) for States and Puerto Rico and 45 CFR § 98.64(d) for Tribes.

PROGRAM REPORTING

16. **Reporting.** These funds are subject to government-wide and CCDF-specific reporting requirements. OCC will provide additional guidance on reporting requirements on its website at www.acf.hhs.gov/occ and at the centralized ACF COVID-19 resource website at <https://www.acf.hhs.gov/coronavirus>.

PROPERTY REPORTING**States and Territories**

17. **Real Property Reports (SF-429s).** The SF-429 Real Property forms are not applicable to this program. Purchase, construction, and renovation are not an allowable activity or expenditure under this award.

Tribes

18. **Real Property Reports (SF-429s).** The SF-429 Real Property forms are applicable to this program. Construction and renovation projects are an allowable activity or expenditure under this award. For more information, see [45 CFR §98.84](#) and [CCDF-ACF-PI-2020-02](#). Purchases of real property continues to be an unallowable activity or expenditure under this grant.

All Recipients

19. **Tangible Property Report (SF-428s).** For all recipients, the SF-428 Tangible Personal Property forms must be submitted as described in the General Terms and Conditions.

EFFECTIVE PERIOD

20. These program-specific Terms and Conditions are effective on the date shown in the margin at the bottom of the page and will remain in effect until updated. They will be updated and reissued only as needed whenever a new program-specific statute, regulation or other requirement is enacted or whenever any of the applicable existing Federal statutes, regulations, policies, procedures, or restrictions is amended, revised, altered, or repealed.

POINTS OF CONTACT

21. Points of contact for additional information or questions concerning either the operation of the program or related financial matters can be found on the Notice of Award.